# SECOND REGULAR SESSION SENATE COMMITTEE SUBSTITUTE FOR

#### HOUSE COMMITTEE SUBSTITUTE FOR

## HOUSE BILL NO. 1731

#### 96TH GENERAL ASSEMBLY

Reported from the Committee on Veterans' Affairs, Emerging Issues, Pensions and Urban Affairs, May 9, 2012, with recommendation that the Senate Committee Substitute do pass.

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TERRY L. SPIELER, Secretary.

### AN ACT

To repeal sections 42.300, 161.215, and 313.835, RSMo, and to enact in lieu thereof five new sections relating to the use of gaming moneys, with an emergency clause.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Sections 42.300, 161.215, and 313.835, RSMo, are repealed and

- 2 five new sections enacted in lieu thereof, to be known as sections 42.300, 161.215,
- 3 161.216, 313.835, and 1, to read as follows:
  - 42.300. 1. There is hereby created in the state treasury the "Veterans
- 2 Commission Capital Improvement Trust Fund" which shall consist of money
- 3 collected under section 313.835. The state treasurer shall administer the
- 4 veterans commission capital improvement trust fund, and the moneys in such
- 5 fund shall be used solely, upon appropriation, by the Missouri veterans
- 6 commission for:
- 7 (1) The construction, maintenance or renovation or equipment needs of
- 8 veterans' homes in this state;
- 9 (2) The construction, maintenance, renovation, equipment needs and
- 10 operation of veterans' cemeteries in this state;
- 11 (3) Fund transfers to Missouri veterans' homes fund established under the
- 12 provisions of section 42.121, as necessary to maintain solvency of the fund;
- 13 (4) Fund transfers to any municipality with a population greater than four
- 14 hundred thousand and located in part of a county with a population greater than
- 15 six hundred thousand in this state which has established a fund for the sole

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purpose of the restoration, renovation and maintenance of a memorial or museum 17 or both dedicated to World War I. Appropriations from the veterans commission capital improvement trust fund to such memorial fund shall be provided only as 18 19 a one-time match for other funds devoted to the project and shall not exceed five 20 million dollars. Additional appropriations not to exceed ten million dollars total 21may be made from the veterans commission capital improvement trust fund as 22a match to other funds for the new construction or renovation of other facilities 23dedicated as veterans' memorials in the state. All appropriations for renovation, 24new construction, reconstruction, and maintenance of veterans' memorials shall be made only for applications received by the Missouri veterans commission prior 25to July 1, 2004; 26

- (5) The issuance of matching fund grants for veterans' service officer programs to any federally chartered veterans' organization or municipal government agency that is certified by the Veterans Administration to process veteran claims within the Veterans Administration System; provided that such veterans' organization has maintained a veterans' service officer presence within the state of Missouri for the three-year period immediately preceding the issuance of any such grant. A total of one million five hundred thousand dollars in grants shall be made available annually for service officers and joint training and outreach between veterans' service organizations and the Missouri veterans commission with grants being issued in July of each year. Application for the matching grants shall be made through and approved by the Missouri veterans commission based on the requirements established by the commission;
- 39 (6) For payment of Missouri national guard and Missouri veterans commission expenses associated with providing medals, medallions and 40 certificates in recognition of service in the armed forces of the United States 41 during World War II, the Korean Conflict, and the Vietnam War under sections 42 42.170 to 42.226. Any funds remaining from the medals, medallions and 43 certificates shall not be transferred to any other fund and shall only be utilized 44 for the awarding of future medals, medallions, and certificates in recognition of 45 46 service in the armed forces; [and]
  - (7) Fund transfers totaling ten million dollars to any municipality with a population greater than three hundred fifty thousand inhabitants and located in part in a county with a population greater than six hundred thousand inhabitants and with a charter form of government, for the sole purpose of the construction, restoration, renovation and maintenance of a memorial or museum

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or both dedicated to World War I; and 52

#### (8) The administration of the Missouri veterans commission.

- 2. Any interest which accrues to the fund shall remain in the fund and 54 55 shall be used in the same manner as moneys which are transferred to the fund under this section. Notwithstanding the provisions of section 33.080, to the 56 contrary, moneys in the veterans commission capital improvement trust fund at the end of any biennium shall not be transferred to the credit of the general revenue fund. 59
  - 3. Upon request by the veterans commission, the general assembly may appropriate moneys from the veterans commission capital improvement trust fund to the Missouri national guard trust fund to support the activities described in section 41.958.
- 64 4. The state auditor shall conduct an audit of all moneys in the veterans commission capital improvement trust fund every year beginning January 1, 65 2011, and ending on December 31, 2013. The findings of each audit shall be 66 distributed to the general assembly, governor, and lieutenant governor no later 67 than ten business days after the completion of such audit. 68
- 161.215. 1. There is hereby created in the state treasury the "Early Childhood Development, Education and Care Fund" [which shall consist of money collected under section 313.835 and] which is created to give parents meaningful choices and assistance in choosing the child-care and education arrangements 4 that are appropriate for their family. All interest received on the fund shall be 5 credited to the fund. Notwithstanding the provisions of section 33.080, moneys in the fund at the end of any biennium shall not be transferred to the credit of the general revenue fund. Any moneys deposited in such fund shall be used to 8 support programs that prepare children prior to the age in which they are eligible to enroll in kindergarten under section 160.053 to enter school ready to learn. All 10 moneys deposited in the early childhood development, education and care fund 11 shall be annually appropriated for voluntary, early childhood development, 12 education and care programs serving children in every region of the state not yet 13 enrolled in kindergarten. For fiscal year 2013 and each subsequent fiscal 14 15year, at least thirty-five million dollars of the funds received from the 16 master settlement agreement, as defined in section 196.1000, shall be 17 deposited in the early childhood development, education and care fund.
  - 2. No less than sixty percent of moneys deposited in the early childhood development, education and care fund shall be appropriated as provided in this

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20 subsection to the department of elementary and secondary education and to the 21department of social services to provide early childhood development, education and care programs through competitive grants to, or contracts with, governmental 2223or private agencies. Eighty percent of such moneys under the provisions of this subsection and additional moneys as appropriated by the general assembly shall 2425be appropriated to the department of elementary and secondary education and twenty percent of such moneys under the provisions of this subsection shall be 26 appropriated to the department of social services. The departments shall provide 2728 public notice and information about the grant process to potential applicants:

- (1) Grants or contracts may be provided for:
- 30 (a) Start-up funds for necessary materials, supplies, equipment and 31 facilities; and
- 32 (b) Ongoing costs associated with the implementation of a sliding parental 33 fee schedule based on income;
  - (2) Grant and contract applications shall, at a minimum, include:
- 35 (a) A funding plan which demonstrates funding from a variety of sources 36 including parental fees;
- 37 (b) A child development, education and care plan that is appropriate to 38 meet the needs of children;
  - (c) The identity of any partner agencies or contractual service providers;
- 40 (d) Documentation of community input into program development;
  - (e) Demonstration of financial and programmatic accountability on an annual basis;
- (f) Commitment to state licensure within one year of the initial grant, if funding comes from the appropriation to the department of elementary and secondary education and commitment to compliance with the requirements of the department of social services, if funding comes from the department of social services; and
- 48 (g) With respect to applications by public schools, the establishment of a 49 parent advisory committee within each public school program;
- 50 (3) In awarding grants and contracts under this subdivision, the 51 departments may give preference to programs which:
  - (a) Are new or expanding programs which increase capacity;
- 53 (b) Target geographic areas of high need, namely where the ratio of 54 program slots to children under the age of six in the area is less than the same 55 ratio statewide;

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- 56 (c) Are programs designed for special needs children;
- 57 (d) Are programs that offer services during nontraditional hours and 58 weekends; or
  - (e) Are programs that serve a high concentration of low-income families.
- 60 3. No less than ten percent of moneys deposited in the early childhood 61 development, education and care fund shall be appropriated to the department 62 of social services to provide early childhood development, education and care 63 programs through child development, education and care certificates to families 64 whose income does not exceed one hundred eighty-five percent of the federal poverty level in the manner pursuant to 42 U.S.C. Section 9858c(c)(2)(A) and 42 65 U.S.C. Section 9858n(2) for the purpose of funding early childhood development, 66 67 education and care programs as approved by the department of social services. At a minimum, the certificate shall be of a value per child which is commensurate 68 69 with the per-child payment under paragraph (b) of subdivision (1) of subsection 70 2 of this section pertaining to the grants or contracts. On February first of each year the department shall certify the total amount of child development, 7172 education and care certificates applied for and the unused balance of the funds shall be released to be used for supplementing the competitive grants and 73 contracts program authorized under subsection 2 of this section. 74
  - 4. No less than ten percent of moneys deposited in the early childhood development, education and care fund shall be appropriated to the department of social services to increase reimbursements to child-care facilities for low-income children that are accredited by a recognized, early childhood accrediting organization.
- 80 5. No less than ten percent of the funds deposited in the early childhood development, education and care fund shall be appropriated to the department 81 82 of social services to provide assistance to eligible parents whose family income does not exceed one hundred eighty-five percent of the federal poverty level who 83 wish to care for their children under three years of age in the home, to enable 84 such parent to take advantage of early childhood development, education and care 85 programs for such parent's child or children. At a minimum, the certificate shall 86 87 be of a value per child which is commensurate with the per-child payment under paragraph (b) of subdivision (1) of subsection 2 of this section pertaining to the 88 89 grants or contracts. The department of social services shall provide assistance to these parents in the effective use of early childhood development, education 90 and care tools and methods. 91

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- 92 6. In setting the value of parental certificates under subsection 3 of this 93 section and payments under subsection 5 of this section, the department of social services may increase the value based on the following: 94
- 95 (1) The adult caretaker of the children successfully participates in the parents as teachers program under the provisions of sections 178.691 to 178.699, 96 97 a training program provided by the department on early childhood development, education and care, the home-based Head Start program as defined in 42 U.S.C. 98 99 Section 9832 or a similar program approved by the department;
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  - (2) The adult caretaker consents to and clears a child abuse or neglect screening under subdivision (1) of subsection 2 of section 210.152; and
    - (3) The degree of economic need of the family.
- 7. The department of elementary and secondary education and the department of social services each shall by rule promulgated under chapter 536 104 establish guidelines for the implementation of the early childhood development, education and care programs as provided in subsections 2 to 6 of this section.
- 107 8. The state auditor shall conduct an audit of all moneys in the early 108 childhood development, education and care fund created in subsection 1 of this section every year beginning January 1, 2011, and ending on December 31, 109 2013. The findings of each audit shall be distributed to the general assembly no 110 111 later than ten business days after the completion of such audit.
  - 9. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly under chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2010, shall be invalid and void.
  - 161.216. 1. No quality rating system, improvement system, evaluation system, or training quality assurance system for early  $^{2}$ childhood education or its successor, or any training or credentialing may be established, created, or operated within this state, unless the authority to create or operate such a quality rating system is enacted 6 into law through:
    - (1) A bill as prescribed by article III of the Missouri Constitution;
    - (2) An initiative petition as prescribed by section 50 of article III

9 of the Missouri Constitution; or

- 10 (3) A referendum as prescribed by section 52(a) of article III of 11 the Missouri Constitution.
- 12 No quality rating system, improvement system, evaluation system,
- 13 training quality assurance system or its successor for early childhood
- 14 education shall be enacted under this section unless such system allows
- 15 for ratings or evaluations to be conducted by no fewer than three
- 16 nationally or regionally recognized organizations that reflect the
- 17 composition and diversity of the early childhood program market.
- 2. In no case shall the authority for establishing, administering,
- 19 or operating a quality rating system, improvement system, evaluation
- 20 system, or training quality assurance system for early childhood
- 21 education in Missouri be based upon an executive order issued by the
- 22 governor of Missouri.
- 3. No department, board, commission, committee, council,
- 24 agency, instrumentality, quasi-governmental entity, or political
- 25 subdivision of the state of Missouri shall promulgate any rule or
- 26 establish any program, policy, guideline, or plan or change any rule,
- 27 program, policy, guideline, or plan to implement, establish, create,
- 28 administer, or otherwise operate a quality rating system, improvement
- 29 system, evaluation system, or training quality assurance system for
- 30 early childhood education unless such department, board, commission,
- 31 committee, council, agency, instrumentality, or political subdivision has
- 32 received statutory authority to do so in a manner consistent with
- 33 subsection 1 of this section.
- 4. No department, board, commission, committee, council,
- 35 agency, instrumentality, political subdivision of this state, public
- 36 officer, quasi-governmental entity, employee of this state, or any
- 37 private entity shall apply for, accept, or expend any moneys directly or
- 38 indirectly related to the creation, implementation, or operation of a
- 39 quality rating system, improvement system, evaluation system, or
- 40 training quality assurance system for early childhood education unless
- 41 such acceptance or expenditure is authorized by statute or an
- 42 appropriations bill, irrespective of the source of such moneys.
- 5. No department, board, commission, committee, council,
- 44 agency, instrumentality, political subdivision of this state, public
- 45 officer, quasi-governmental entity, employee of this state, or private

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entity shall accept or expend any moneys from the gaming commission fund created in section 313.835 for anything directly or indirectly related to the creation, implementation, or operation of a quality rating system, improvement system, evaluation system, or training quality assurance system for early childhood education unless such acceptance or expenditure is authorized by statute or an appropriations bill.

6. No department, board, commission, committee, council, agency, instrumentality, political subdivision, public officer, quasigovernmental entity, employee of this state, or private entity shall enter into any agreement or any obligation to establish, administer, or operate a quality rating system, improvement system, evaluation system, or training quality assurance system for early childhood education unless such department, board, commission, committee, council, agency, instrumentality, political subdivision, public officer, quasi-governmental entity, or employee of this state has received statutory authority to enter into such agreements or obligations. No department, board, commission, committee, council, agency, instrumentality, political subdivision, public officer, quasigovernmental entity, employee of this state, or private entity shall provide assistance or resources of any kind, directly or indirectly, to any department, agency, public official, employee of the state, agent of any government, or private entity related to the creation or operation of a quality rating system, improvement system, evaluation system, or training quality assurance system for early childhood education unless such assistance or resources are authorized by state statute or such assistance or resources are specifically required by law.

7. Any taxpayer of this state or any member of the general assembly shall have standing to bring suit against the state of Missouri or any official, department, division, agency, board, commission, committee, council, political subdivision of this state, public officer, quasi-governmental entity, employee of the state, instrumentality, or private entity which is in violation of this section in any court with jurisdiction to enforce the provisions of this section.

313.835. All revenue received by the commission from license fees, penalties, administrative fees, reimbursement by any excursion gambling boat operators for services provided by the commission and admission fees authorized pursuant to the provisions of sections 313.800 to 313.850, except that portion of

the admission fee, not to exceed one cent, that may be appropriated to the compulsive gamblers fund as provided in section 313.820, shall be deposited in the state treasury to the credit of the "Gaming Commission Fund" which is hereby created for the sole purpose of funding the administrative costs of the commission, subject to appropriation. Moneys deposited into this fund shall not be considered proceeds of gambling operations. Moneys deposited into the gaming commission fund shall be considered state funds pursuant to article IV, section 15 of the Missouri Constitution. All interest received on the gaming commission fund shall be credited to the gaming commission fund. In each fiscal year, total revenues to the gaming commission fund for the preceding fiscal year shall be compared to total expenditures and transfers from the gaming commission fund for the preceding fiscal year. The remaining net proceeds in the gaming commission fund shall be distributed in the following manner: 

- (1) The first five hundred thousand dollars shall be appropriated on a per capita basis to cities and counties that match the state portion and have demonstrated a need for funding community neighborhood organization programs for the homeless and to deter gang-related violence and crimes;
- (2) The remaining net proceeds in the gaming commission fund for fiscal year [1999] 2013 and each fiscal year thereafter shall be distributed as follows:
- (a) The first [four and one-half] **five** million dollar portion shall be transferred to the access Missouri financial assistance fund, established pursuant to the provisions of sections 173.1101 to 173.1107, and additional moneys as annually appropriated by the general assembly shall be appropriated to such fund;
- (b) The second three million dollar portion shall be transferred to the veterans' commission capital improvement trust fund created in section 42.300;
- (c) The third [three] four million dollar portion shall be transferred to the Missouri national guard trust fund created in section 41.214, and additional moneys as appropriated by the general assembly may be appropriated to such fund, up to one million five hundred thousand dollars annually;
- (d) Subject to appropriations, one hundred percent of remaining net proceeds in the gaming commission fund [except as provided in paragraphs (e) and (f) of this subdivision, and], after the appropriations are made pursuant to the provisions of paragraphs (a), (b), and (c) of this subdivision, shall be transferred to the [early childhood development, education and care fund created in section 161.215;

- 41 (e) When the remaining net proceeds, as such term is used pursuant to 42 paragraph (d) of this subdivision, in the gaming commission fund annually exceeds twenty-eight million dollars: one-half million dollars of such proceeds 43 44 shall be transferred annually, subject to appropriation, to the access Missouri financial assistance fund, established pursuant to the provisions of sections 45 46 173.1101 to 173.1107; three million dollars of such proceeds shall be transferred annually, subject to appropriation, to the veterans' commission capital 47 improvement trust fund; and one million dollars of such proceeds shall be 48 49 transferred annually, subject to appropriation, to the Missouri national guard trust fund created in section 41.214; 50
- 51 (f) Beginning in fiscal year 2011 and each fiscal year thereafter when the funding for early childhood education under paragraph (d) of this subdivision 5253 equals the funding level for early childhood education under paragraph (d) of this subdivision in fiscal year 2009, one-half of the next one million two hundred 54thousand dollars of such proceeds shall be transferred annually, subject to 55 appropriation, to the veterans commission capital improvement trust fund for the 56purpose of funding veterans' service officer programs identified under subdivision 57 (5) of subsection 1 of section 42.300, and the other half of the one million two 58 hundred thousand dollars shall be transferred annually, subject to appropriation, 60 to the early childhood development, education and care fund created in section 61 161.215] veterans' commission capital improvement trust fund created 62 in section 42.300.
- Section 1. 1. No public institution of higher education, or campus thereof, political subdivision, governmental entity, quasi-governmental entity, division, board, commission, committee, council, state department or agency, instrumentality, public officer, employee of the state, or private entity shall operate the Sue Shear Institute for Women in Public Life, any successor entity to the Sue Shear Institute for Women in Public Life, or any other institute that engages in political activity or whose operations consist of the following, or have any connection whatsoever in the furtherance of the following:
- 10 (1) Tracking the participation of women at various levels of 11 government;
- 12 (2) Increasing the presence of women on boards and 13 commissions;
- 14 (3) Training college women leaders;

- (4) Increasing the number of women in policy making positionsin government; and
  - (5) Encouraging women to seek public office.
- 2. Any taxpayer of this state or any member of the general assembly shall have standing to bring suit against the state of Missouri or any official, department, division, agency, board, commission, committee, council, political subdivision of this state, public officer, quasi-governmental entity, employee of this state, or private entity which is in violation of this section in any court with jurisdiction to enforce the provisions of this section.

Section B. Because of the need to supply funding for veterans programs in the state, section A of this act is deemed necessary for the immediate preservation of the public health, welfare, peace and safety, and is hereby declared to be an emergency act within the meaning of the constitution, and section A of this act shall be in full force and effect upon its passage and approval.



